

Written Testimony of Representative Brendan Boyle (PA-13)
Make It in America: What's Next?
PANEL 1: Rebuilding America's Promise

The goal of Whip Hoyer's "Make it in America" initiative is not only to restore our nation's manufacturing capacity, but also to reaffirm the basic bargain upon which we built the most powerful and productive middle class the world has ever seen. I am a proud product of that bargain – I would not be sitting here today if it were not for the opportunities afforded to my parents in an economy that was more level and more humane than it is today.

In order to help as many struggling workers to personally "Make it in America" with as much upward mobility, economic security, and prosperity as enjoyed by past generations, we must restore our beleaguered middle class by giving it a more substantial stake in our economy. Even though our labor force now creates an average of 72 percent more income for *employers* than it did in 1973, the average hourly wage for *employees* has risen only 9 percent. This figure represents a fundamentally undervalued workforce that needs fairer pay, fairer opportunity, and fairer rules. As we look to restore the basic bargain, we must remember that Unions play a critical role in reaffirming the value of labor.

Throughout the middle of the twentieth century, when organized labor was at its height, increased productivity was rewarded with increased wages. Unions were a crucial bulwark against inequality – the share of America's income taken by the top ten percent was held down at 30% when union membership was at its zenith, and that income share has reached historic highs – 50% – only as union membership has fallen to historic lows – now 11%. Organized labor has demonstrated its power to bolster the dignity of workers beyond its own member rolls, helping to maintain fair wages and benefits across entire industries while upholding heightened value and productivity levels that serve the best interests of employers and the economy at large.

Labor's commitment to producing well-qualified and highly experienced workers through apprenticeships and exhaustive forms of training has produced entire generations of highly skilled tradespeople and laborers that have exceedingly high standards for the work they do. And firms are willing to pay much more for their good work; median earnings of union members are over \$200 more per week than they were for nonunion workers. This model produced our shared prosperity throughout the course of the twentieth century. If we are to defend the prospects of our middle class while meeting a historically high demand for skilled workers, we must give more Americans the resources they need to demand better pay and better jobs.

In a recent survey of manufacturing firms, seven out of ten executives reported that they cannot hire enough workers with sufficient technical training. It is estimated that such a skills gap will leave 2 million job openings without qualified candidates in the next ten years. To bridge such a massive gap, it will take a coordinated effort among the public and private sectors to upskill more Americans and fully develop their professional potential. It will be well worth it for workers – who stand to earn much more with greater skills to market; for their employers – whose reputations rely on productivity and high-quality products; and for our economy at large – which will be unbeatable if it fully employs the massive potential of the American workforce. The basic bargain of fair pay for fair work, modest as it is, is our greatest and most potent asset.